WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Lesser crop-price by Government than corporations

1940. SHRI AJAY SINGH CHAUTALA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that crop-price given by Government to the farmers is much less than the prices given by the corporations to them;

(b) whether Government would advice the corporations not to purchase crops from the farmers until and unless Government's procurement targets are achieved; and

(c) whether Government would issue the guidelines to ban the import of wheat and to declare a rational procurement prices of wheat and other crops?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) The Minimum Support Price (MSP) is in the nature of guaranteed price offered to the farmers in case the market prices fall below that price. All the foodgrains, including wheat, conforming to the prescribed specifications offered for sale at specified centres are bought by the public procurement agencies at the MSP plus the applicable bonus. Data regarding the prices paid by private companies is not maintained. In case market prices are ruling above the MSP, farmers are free to sell their produce in the open market.

(b) There is no such proposal.

(c) Import of wheat on private account at zero duty has been permitted upto 31.12.2007.

Cost of agriculture input

1941. SHRI S.K. KHABIR UDDIN AHMED: Will the Minister of AGRICULTURE be pleased to state that in view of the crash in prices of agricultural output and the rise in cost of agricultural input which have adversely affected the interests of all sections among the peasantry, what concrete steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): No report, as such, has been received on crash in prices of agricultural output. Keeping in view the rise in input costs, the Government announces Minimum Support Prices (MSPs) on the recommendations of Commission for Agricultural Costs and Prices (CACP), which in turn are based on a number of important factors, *inter-alia*, cost of production, changes in input prices, input/output price parity, trends in local and global market forces, inter-crop price parity, and parity between prices paid and prices received by the farmers.

Further, the Government has taken several steps to improve agricultural growth and return on investment in agriculture. These include declaration of MSPs before sowing season, measures to improve production and productivity of various agricultural commodities through ensuring easy availability of credit, irrigation facilities, crop diversification, marketing infrastructure and extension services. National Policy for Farmers, 2007 has also been brought out.